3: Roberts S-4 (no date)1951 EDl Rumania EDl

652 should be obtained not through investments but through loans under-
665 taken by the state. In this way Rumania would have full control over the allocation of capital and would not, except for the interest on loans, see the profits from the oil industry go abroad. The petroleum policy of the National Peasants, as formulated in 1929, was even more removed from Stere's recommendations than from the Liberals' policy. It was, however, perfectly consistent with their economic outlook during their term in office.

665 Rumanian transportation and communications had been in no-
652 toriously bad condition since the First World War, and the Liberals'
496 policy of retrenchment had been particularly damaging to the rail-
●464 way system. The 1929 stabilization loan allocated $34,000,000 for
471 railway expansion and $9,000,000 to pay off overdue railway debts.
491 By a law passed in July, 1929, the National Peasants transferred the
206 state railways to an autonomous public body, "to be administered according to commercial principles." [62] They also undertook to repair and extend the highway network, and abolished the primitive *corvée* which was still being used for road maintenance. In 1930 the International Telephone and Telegraph Corporation received a concession for the construction of the Rumanian telephone network.

665 The stabilization loan required a reform of the National Bank and of the state accounting system. In March, 1929, the government passed a series of new statutes for the bank; the principal changes were the abolition of the ceiling on the issue of currency, established by the Liberals' in 1925, and the limitation of the influence of the state in the appointment of directors. The bank was given somewhat greater independence from state control and powers to maintain the newly achieved stability of the currency. In July, 1929, the government passed a law reforming the state accounting system and the organization of the budget. There was no doubt that Rumanian state finances needed reform and modernization. The accounting system had been that of France of 1860, plus the accretion of a number of purely Rumanian practices, with the result that the actual condition of government finances at any given time was never known with any exactness. The new law, in reorganizing the preparation of the budget, exerted more stringent control over the expenditures of various ministries. While this law was well intended, its actual results in rationalizing Rumanian finance methods seem to have been very

62. Madgearu, *Rumania's New Economic Policy*, p. 50. The organization of Rumanian railways after 1918 had been altogether hectic. In 1925 the Liberals had given some autonomy to the railways; this policy was reversed by the People's party in February, 1927, and reestablished by the Liberals in August of that year.

3: Roberts S-4 (no date)1951 EDl Rumania EDl

and the investigators found many of the old labor contracts and obligations associated with pre-1914 Rumania.

Unable to support themselves in the community, many peasants were seeking temporary work in nearby market towns, and a number traveled as far as Bucarest, a distance of about 70 kilometers. The exodus in most cases was not permanent, and the peasants after earning some money returned to Dâmbovnicul. This movement to the city was a reflection of the new conditions, which were also seen in the houses and garments of the peasants: houses were no longer built to last generations as was the case in the more isolated districts to the north; the national costume was relegated to Sundays. Birth and death rates were high and the natural increase ran the emigration away from the plasă. The standard of living was very low; many families were undernourished.

A definite differentiation in the peasantry was developing. A few peasants—mostly those who had inherited medium properties—were enlarging their holdings; a few new peasant estates of over 100 hectares had been created. The poorer peasants, including many who had been allotted land, were losing their holdings. Investigations into debts and credit showed that even after the conversion of 1934 about half the households were in debt. Credit provided by the cooperative banks went almost entirely to the larger peasants; in one commune holdings of up to 5 hectares received only 7.9 per cent of the loans. The special political interest shown by the parties in the judeţ of Argeş seemed to have brought no benefits beyond permitting local party stalwarts to obtain extra funds to purchase land from peasants who were in debt or in need of money.

Such, then, was the land of happy peasants with their colorful folkways so picturesquely displayed in the travel literature of the Carolist era.

3: Roberts S-4 (no date)1951 EDI Rumania EDI

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TABLE XXI. DISTRIBUTION OF AGRICULTURAL EXPLOITATIONS ACCORDING TO USE OF LABOR, 1941

	Number	Per Cent	Per Cent	Area (hectares)	Per Cent	Per Cent	Average Size (hectares)
General total	2,258,530	100.0		10,187,003	100.0		4.51
Dwarf exploitations (a)	471,616	20.9		818,965	8.1		0.68
Exploitations remaining after leasing (b)	54,882	2.4		45,856	0.4		0.83
Exploitations proper (c)	1,732,030	76.7	100.0	9,822,182	96.5	100.0	5.67
Exploitations worked by hired labor only	25,466	—	1.5	1,188,015	—	12.1	46.65
Exploitations worked by family and hired labor	265,906	—	15.3	2,438,642	—	24.8	9.17
Exploitations worked by family labor only	1,009,031	—	58.3	4,667,069	—	47.5	4.63
Exploitations worked by only part of family labor	431,627	—	24.9	1,528,436	—	15.6	3.54

(a) Very small exploitations cultivated by peasants with little or no land; exploitations not the principal occupation of the cultivator.

(b) Land remaining after the proprietor has rented out more than 80 per cent of the total property, the remainder representing only limited agricultural activity—a few animals, a garden, etc.

(c) Exploitations of at least two hectares, or one hectare of arable, or 0.5 hectares of land devoted to vineyards, orchards, etc.

SOURCE: *Ibid.*, pp. 24–25.

TABLE XXII. DISTRIBUTION OF AGRICULTURAL EXPLOITATIONS ACCORDING TO USE OF LABOR AND TYPE OF TENURE, 1941

	Number	Per Cent of Total	Per Cent of Subgroup
Total exploitations proper	1,732,030	100.0	—
A. Worked by hired labor only	25,466	1.5	100.0
1. On own land	16,294	0.9	64.0
2. On own and rented land	4,716	0.3	18.5
3. On rented land only	4,456	0.3	17.5

3: Roberts S-4 (no date)1951 EDl Rumania EDl

	Number	Per Cent of Total	Per Cent of Subgroup
B. Worked by hired and family labor	265,906	15.3	100.0
1. On own land	192,674	11.1	72.5
2. On own and rented land	70,775	4.1	26.6
3. On rented land only	2,457	0.1	0.9
C. Worked by family labor only	1,009,031	58.3	100.0
1. On own land	720,013	41.6	71.4
2. On own and rented land (a)	289,018	16.7	28.6
D. Worked by part of family labor	431,627	24.9	100.0
1. On own land	315,167	18.2	73.0
2. On own and rented land (a)	116,460	6.7	27.0

(a) Peasant exploitations using family labor on rented land only were too infrequent to warrant inclusion as a separate category.

SOURCE: *Ibid.*, p. 28.

TABLE XXIII. PREVALENCE OF TYPES OF CULTIVATION (BY PERCENTAGE) ACCORDING TO SIZE OF EXPLOITATION IN THE JUDEŢ OF ARGEŞ, 1941

	Total	Categories of Size (hectares)									
		Under 0.1	*.1–.5*	*.5–1*	*1–3*	*3–5*	*5–10*	*10–20*	*20–50*	*50–100*	*Over 100*
Total	100	100	100	100	100	100	100	100	100	100	100
Total exploitations proper	70.5	1.9	3.0	10.9	78.9	99.8	99.9	99.8	100.0	97.5	97.6
A. With hired labor only	1.3	—	—	0.1	0.3	0.9	2.2	7.3	23.4	53.7	97.6
B. With hired and family labor	11.7	0.1	0.1	0.6	6.8	14.9	25.9	50.6	65.9	43.8	—
C. With family labor only	30.9	0.2	1.0	3.9	34.6	47.4	47.0	27.2	8.1	—	—
D. With part of family labor	26.6	1.6	1.9	6.3	37.2	36.6	24.8	14.7	2.6	—	—
Remaining after leasing	1.2	23.4	5.0	1.3	0.3	0.2	0.1	0.2	—	2.5(a)	2.4(a)
Holdings of agricultural workers with little land	24.3	33.3	73.8	78.7	19.3	—	—	—	—	—	—
Holdings of agricultural workers without land	0.5	15.5	2.4	—	—	—	—	—	—	—	—
Dwarf exploitations whose cultivator has nonagricultural occupation	3.5	25.9	15.8	9.1	1.5	—	—	—	—	—	—

(a) The unexplained presence of exploitations of over 50 hectares in the category "Remaining after leasing" (i.e., remaining after 80 per cent of the property has been let out) presumably indicates a few large properties of little agricultural value, since according to the census this category was unimportant agriculturally.

SOURCE: Roman Cresin, *Agricultura din judeţul Argeş* (Bucarest, 1945), p. 11.

315 pipeline has been completed from a secondary source of supply at Manești to convey this gas to Bucarest to supply both household and industrial requirements.

135 Iron-ore deposits are small, so that the heavy industries are very largely dependent on imports. A variety of other mineral resources, which are believed to exist in greater abundance than has so far been established, have not yet been fully surveyed.

433 Rumania has a poorly-developed industry, which lags far behind that of western European countries such as Czechoslovakia, though is ahead of all the other south-east European countries, except Hungary. Financially she is a poor country, with very limited capital resources, which has proved a severe hindrance to industrial development and has laid her open to the investment of foreign capital, which has been attracted particularly by the rich mineral oil and forest resources. Skilled labour, also a vital factor in the process of industrialisation, has been lacking, so that the use of foreign technicians has been essential. Other raw-material resources, though adequate to allow the development of a sound and varied industry, are not sufficiently extensive to encourage a very rapid development independent of imported raw materials.

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Industrialisation in Rumania did not start until about 1890, and the period of greatest expansion was between 1929 and 1938. The consumption industries were the first to be developed, and of these food industries are the chief, the raw materials being grown on the spot. The growth of such industries as paper, cardboard, printing, soap, chemicals and furniture, etc., followed. The location of industry in the earlier stages was governed not by such factors as the existence of cheap labour, but was built up in those areas richest in raw materials.

MAIN INDUSTRIAL REGIONS

[311] The main industrial region is in the Prahova valley, where the oilfields are to be found, followed by the Reșița district, where the existence of iron ore, coal, manganese, etc., led to the development of metallurgical and engineering facilities, as well as of such auxiliary industries as coal and wood distilleries. Gold, silver, lead, zinc and copper deposits in the Baia Mare region formed the basis for the erection of both metal and chemical factories. The presence of methane gas, salt, gold, silver and stone quarries in and around Turda determined the location of factories for production of cement, limestone, bricks, tiles, porcelain, glass, sulphuric acid, etc. In the rich forest districts of Ferdinand, Nadrag and Hunedoara, where iron ore deposits are also to be found, blast furnaces and metallurgical industries have been established. The textile industry is mainly established in Cîmădia, Piatra Neamț, Bacău and Buhuși. Apart from the regions mentioned, industry is centred in the principal towns—Bucarest, Timișoara, Brașov, Sf. Gheorghe, Arad, Galați, Brăila, Cernăuți, Cluj and Iași.

The following table gives an idea of the relative importance of the various industries, showing the amount of capital invested and value of production in each of the main groups, and also the number of factories and of personnel employed :—

313 cooperage and boxmaking plants. The distribution of these is shown in Table II, although separation of the sawmills from the other industries is not possible. There were also three match factories, which covered internal requirements, and four wood-distillation plants, two of which, situated at Margina and Resita appeared to be relatively large concerns.

5. Exports

313 439 Rumania's timber exports between 1935 and 1938 averaged 1.8 million cubic metres per annum, which was 5 per cent. of total European exports, and gave her the leading place among south-east European countries. Almost 90 per cent. of total exports were conifers, whilst, as the following table shows, sawn goods made up by far the greater part:—

Categories	*Average annual exports 1935/38 (in '000 cubic metres)*	
Sawn goods	1,280	71
Firewood	222	12
Hewn goods	113	6
Sawlogs	71	4
Boxboard, etc	37	2
Pitwood	31	2
Pulpwood	26	1½
Sleepers	21	1½
Total	1,801	100

Exports were made to many countries, including South America, but the most important customers were Hungary, Germany, U.K., Syria, Palestine, Egypt and Greece. Trade with Germany in the immediate years prior to the war was tending to increase.

6. Employment

313 [464] It was estimated by a qualified expert that the forests gave direct or indirect employment to 750,000 people (about 10 per cent. of the total labour force) in forest work, transport of forest produce and in the timber industry and trade. At least 250,000 were engaged in actual forestry work, but this number probably included part-time and seasonal workers.

7. Transport

[505] [497] Water transport played but a small part in the carriage of timber, carrying only about 700,000 cubic metres per annum. By far the greater reliance was placed on transport by railways, and some 10 million cubic metres were carried by this service each year.

II. PRESENT SITUATION

Under war conditions Rumania has been faced with increasing difficulties for her supply of timber, and as most of the quantities now made available are required for home consumption, she has very little significance as an exporter.

The forest area lost by the cession of part of Transylvania is estimated to be about 1.4 million ha., and as this area accounted for 25 per cent. of pre-war production its loss is of serious consequence. It is estimated that under existing circumstances the maximum annual cut that is possible, if the present forest area is to be maintained, is 12 million cubic metres.

About 210 timber-processing concerns, of which 178 were sawmills, were also lost with Northern Transylvania, but in view of the over-expansion of the timber industry these losses are probably of less serious consequence.

B. LABOUR POSITION DURING THE WAR

1. Military Conscription

701 The age limits for mobilisation are 19–50, while youths from 17–18 are liable for pre-military training.

During 1942 there have been several indications of the strain which further mobilisation was putting on Rumania's manpower; for example, in April 1942 the sentences on political prisoners were suspended and they were called into the army, while from July of that year onwards there has been a constant revision of previous exemptions and a tightening of control over the granting of leave and call-up. Military service, which previously had been obligatory for Rumanian citizens only, was made compulsory for all non-nationals* resident in the country, and further a decree was passed mobilising all Rumanians of military age resident abroad. [563]

It is calculated that it has never been possible for Rumania to have more than 800,000 men properly equipped under arms at one period. The actual strength of the army has fluctuated considerably during the last two years, as has the number on the eastern front, but a reasonable average figure would be 500,000, of which 200,000 on the eastern front.

727 Rumanian casualties are difficult to assess. 464 One estimate at the end of 1941 put casualties at 150,000, while total casualties up to May 1943 have been estimated at 350,000. Military mobilisation will probably have meant a loss of some 800,000 men to the general labour supply.

2. Recruitment for Germany

464 The recruitment of workers for Germany has 167 been on a small scale, which is not surprising, as Rumania's military contribution has been considerable, and the military mobilisation has already reduced the supply of labour needed for the Rumanian armament industry to a minimum. Such labour as might be available for export is unskilled and therefore of less value to Germany. The total number of Rumanian workers in Germany in December, 1942, was estimated at 14,000. Of these 10,000 were young Rumanians 18–19, who were recruited at the end of 1941 to be "trained" in German metallurgical factories, 1,000 are women employed as domestic servants, and the rest are mainly unskilled general workers.

3. Foreign Workers in Rumania

648 In addition to the German administrators and 463 directors, who are in certain of the key positions in Rumanian industry, there is also evidence of skilled German technicians in Rumanian armament factories. In 1942 there was a nucleus of the German Todt organisation, and Italian builders, in the country.

727 About 40,000 Russian prisoners of war are employed, chiefly in agriculture, though also in mining and navvying work.

C. GENERAL LABOUR DEVELOPMENTS

464 In 1937 the average unemployment figure was 722 12,000. The dislocation of trade and industry on the outbreak of war temporarily caused a general increase of unemployment, which was rapidly absorbed by the military call-up and increased activity in the armaments industry. In March

* The German minority was already liable for military service, either in the Rumanian or German army and in December, 1942, it was announced that there were 30,000 *Volksdeutsche* in the Rumanian Army.

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1941 there were 2,000 unemployed, while in December 1942, it was announced that the Office of Unemployment Statistics had been abolished, as there were no unemployed. Though Rumania's military mobilisation and losses have been extensive, her labour reserves are theoretically still considerable. On the other hand, there is no doubt that both industry and agriculture are suffering a noticeable labour shortage. This is attributable to the low level of mechanisation, internal economic organisation and to the cumbersome administration, so that comparison with western countries is impossible.

1. Agriculture.

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The proportion of the working population engaged in agriculture is extremely high, so that military recruitment has been principally from this source. The structure of Rumanian agriculture, which is mainly peasant farming with a low output per head, has meant that the withdrawal of some 550,000 men has been more serious than it would have been in a country where more up-to-date methods are used, and the remaining labour supply is more mobile. The normal sources of supplementary wartime labour have been drawn on—*i.e.*, the temporary demobilisation of soldiers, employment of children during the summer holidays, and presumably an increased employment of women, although there is no evidence of women having been forcibly transferred to agriculture.

[727]

The most valuable supplementary labour, however, has been the employment of Russian prisoners of war, and the demand for their services has exceeded the supply. The number employed in March 1942 was 40,000. These measures to improve the agricultural labour position do not as yet appear to have had much effect.

2. Industry

162 138 178

According to the latest official census figures (relating to the year 1930) 620,000 persons were employed in industry. The following table shows in column 1 the total number employed in the main branches, and in columns 2 and 3 the numbers working in factories employing ten or more people. A comparison between columns 2 and 3 gives an indication of the growing industrialisation of the country.

	1	2	3
	1930	1930	1937
Food	122,000	25,200	34,700
Textiles and Clothing	155,000	34,800	70,500
Metallurgy	101,000	32,000	49,500
Timber	94,000	31,000	44,000
Mining	53,000	n.a.	n.a.

Allowing for the increased industrialisation during the years 1930–39, and for the general increase in the total population to some 20,000,000, it is estimated that by 1939 the number of industrial workers in Greater Rumania would have risen to some 750,000.

With the loss of part of the provinces of Transylvania, Crişana and Maramureş, Rumania suffered a fairly considerable loss in industrial workers, so that added to the expulsion of Jews, repatriation of Germans, etc., and military mobilisation, it is estimated that at the end of 1942 the numbers engaged in industry would not exceed 550,000.

[464]

As in the case of agriculture, the structure of Rumanian industry tends to prevent a thorough rationalisation and concentration of the available industrial labour.

[55b]

CHAPTER XI

463 438 industrial labour. One-third of all workers engaged in industry are independent artisans, on whom the community is dependent for its services, but who do not play any important part in war production. In certain of the larger armament works German controllers have effected a considerable degree of rationalisation.

3. Mining

316 727 There is a shortage of miners; Russian prisoners of war have been employed in mining during 1942. Many miners were reported to have been included in the territory transferred to Hungary.

4. Armament Works

719 464 There is a general shortage of labour in metal and engineering factories, particularly of skilled labour. A 12-hour day was legalised at the beginning of 1942, but it is doubtful if in fact a 12-hour day is ever worked.

5. Timber

313 464 There is a shortage of labour, both for lumbering and for timber manufacture.

6. Textiles and Clothing

464 288 294 The total number of workers in these industries has probably fallen considerably, due to reduction of available raw materials. The delivery of supplies to individual mills seems to be somewhat erratic, and there is evidence of considerable part-time work; for instance in a survey of some 43 factories in December, 1942, 11 were working full time, 21 on a reduced scale, and 11 at a very reduced scale.

7. Building

499 712 464 The extent of fortification building and general road and rail construction in Rumania is unknown, but in the second half of 1942 there was evidence of a scarcity of general labour for such projects, and of Russian prisoners of war working on rail construction.

438 464 [759] In the other branches of occupation, transport services, etc., there is no evidence of labour shortage, apart from doctors, many of whom have been mobilised for the army.

D. CONTROL OF LABOUR

1. The Youth Labour Service

466 883 A youth labour service founded on the German model was established in March 1941. The leaders were trained in Germany, but it was only in April 1942 that the labour camps began to function. Youths are called up in their 19th–20th year, and the period of service lasts 7 months.

(*See* Part II, Chapter V.B. for further details.)

2. Civil Mobilisation

466 A general civil mobilisation decree was passed in May 1941 by which (1) employment cards were introduced; (2) men and women aged 20–57 were liable to compulsory employment if not employed.

Two subsequent decrees were published in March and May 1943, one for the reorganisation of agriculture, forestry and fishing, and the second for the reorganisation of industry. Each of these decrees gave full powers to the appropriate authorities for the mobilisation and transfer of labour.

In addition to the general labour decrees which have so far had little influence on the labour situation, there have been regional decrees applying to individual localities, e.g. in Bessarabia, in February 1942, all the inhabitants aged 12–70 were called upon for compulsory agricultural labour unless already employed.

[56a]